

# NEW BRUNSWICK

**HIGHLIGHTS  
2023–2032**

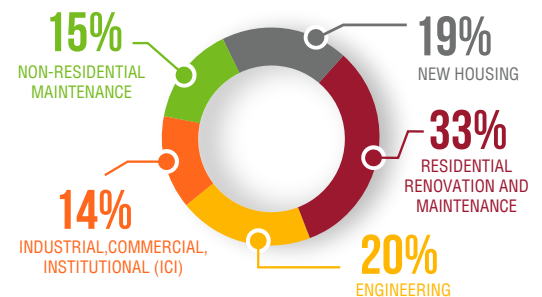
Sustained activity in New Brunswick's housing market and in its industrial, commercial, and institutional (ICI) sector created further growth in the province's construction markets in 2022. Activity in both segments brought overall employment 7% higher, with further gains projected for 2023. Labour markets in both the residential and non-residential sectors were strained in 2022, and are unlikely to ease much before 2024.

The outlook for the province's construction sector calls for activity to be sustained into 2023, with continued strength in the renovation and new-housing sectors, and ongoing activity on several institutional-sector projects. Although investment in new housing contracts after 2026, activity in the renovation sector increases across the forecast period.

As current projects wind down, and with little new growth forecasted, non-residential employment demands decline to 2026. The start of core construction on the refurbishment of the Mactaquac Dam, however, creates additional employment demands and pushes overall sector employment higher in 2027 and through to the end of the forecast period.

Overall, rising demands will require the provincial construction labour force to increase by 2,000 workers by 2032. The expected retirement of 6,500 workers, or 27% of the current labour force, maintains pressure on the industry to recruit and train 8,500 new workers to keep up with construction demands.

## DISTRIBUTION OF CONSTRUCTION EMPLOYMENT IN 2022, NEW BRUNSWICK



## 10-YEAR WORKFORCE OUTLOOK FOR NEW BRUNSWICK



**AVERAGE UNEMPLOYMENT RATE** **16.3%**

## HIGHLIGHTS

- Housing starts peaked in 2022 at nearly 4,500 units, creating an increase of 800 workers (+8%) in the residential sector, most of which were in the new-housing segment.
- Non-residential activity rises significantly in 2026 with the start of core construction on the Mactaquac Dam refurbishment project.
- Labour markets for most residential and non-residential trades and occupations were strained at the end of 2022, and will remain so in 2023. Markets ease thereafter, with some fluctuations created by the Mactaquac Dam project.
- Seasonal industrial maintenance work adds to recruiting challenges for brief periods within a year for a selected group of trades.
- The industry may need to recruit as many as 8,500 new workers to meet requirements relating to growth, and to replace those projected to retire through 2032.

## BuildForce's LMI System

BuildForce Canada uses a scenario-based forecasting system to assess future construction labour requirements in the heavy industrial, residential, and non-residential construction markets. This labour market information (LMI) system tracks 34 trades and occupations. To further improve the robustness of the system, BuildForce consults with industry stakeholders, including owners, contractors, and labour groups, to validate the scenario assumptions and construction project lists, and seeks input from government on related analysis. The information is then distilled into labour market condition rankings to help industry employers with the management of their respective human resources.

## NEW BRUNSWICK CONSTRUCTION OUTLOOK

New Brunswick's construction industry has been on a steady upswing since 2019, supported in large part by a strong housing market and sustained demand for ICI construction activity. Growth in both segments brought employment 7% higher in 2022, with further gains projected for 2023. Into 2027, employment weakens as several institutional and infrastructure projects are completed. In the near term, labour market pressures remain high, particularly among residential trades. Most trades ease into balanced conditions in 2024 and for the remainder of the forecast period.

Residential-sector demands have increased significantly since 2018, as record-low interest rates, combined with strong levels of in-migration, a relatively affordable cost of living, and low vacancy rates, have driven demand for new housing to record levels. Starts reached a 10-year high of close to 3,500 units in 2020, with nearly half occurring in the Moncton area. They reached a new peak of nearly 4,500 in 2022. Residential construction employment added 800 workers (+8%) in 2022 as a result – with most of those added to the new-housing segment (see Figure 1.) After 2024, new-housing activity is expected to recede. Residential employment, however, will be sustained at elevated levels, on the strength of steady increases in renovation and maintenance work.

Non-residential construction activity experienced strong growth in 2021 and 2022, with continued activity on a wide variety of projects, including wastewater, and roads and bridges. Investment levels in the engineering-construction sector are expected to moderate slightly in 2023 as a number of projects approved in 2021 are completed. Following a brief decline in 2024, investment rises anew as work

on the Mactaquac Dam ramps up, causing a peak in 2029. ICI investment, meanwhile, peaks in 2023, supported by government and institutional investments in schools and hospitals. As these projects conclude, investment is expected to decline to 2026.

The 2023–2032 BuildForce Canada scenario forecast for New Brunswick anticipates overall construction employment to rise to a short-term peak in 2023, before moderating to 2026 and cycling back up to a peak in 2027 that is largely sustained through the remainder of the forecast period. Employment adds 660 workers (+3%) over 2022 levels.

Sustaining labour force capacity at current levels may be a challenge for the construction sector. The labour force is expected to grow by 2,000 workers over the forecast period, while the retirement of an anticipated 6,500 workers will boost overall hiring requirements to 8,500. With a projected in-flow of 4,700 workers, the sector could have a gap of as many as 3,800 workers to close.

## DEMOGRAPHICS: CANADA'S AGING POPULATION CREATES WORKFORCE CHALLENGES

Across the country, the share of the labour force aged 65 and over, who are mainly retired, has increased from 15% in 2012 to 19% in 2022. As Figure 2 shows, it is projected to grow again – to 22% – by 2032.

The labour force will be further challenged by a dwindling pool of youth. The group of people aged 15 to 24 years – i.e., those who are poised to enter the labour force – is shrinking as a percentage

**Figure 1: Construction employment growth outlook, New Brunswick**

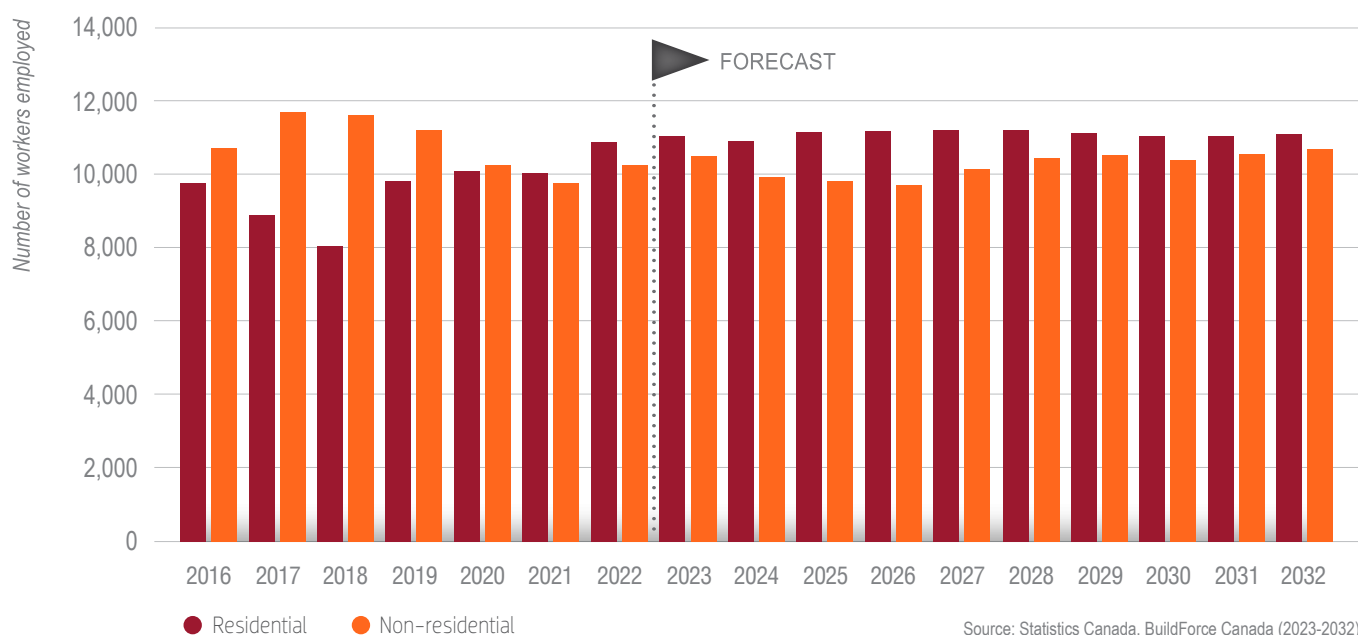
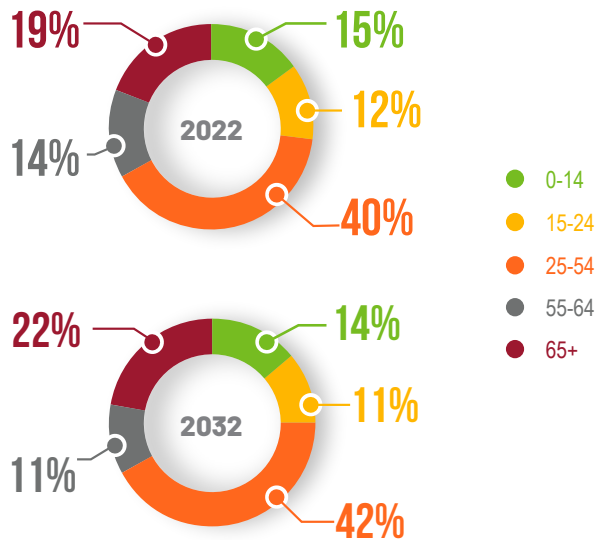
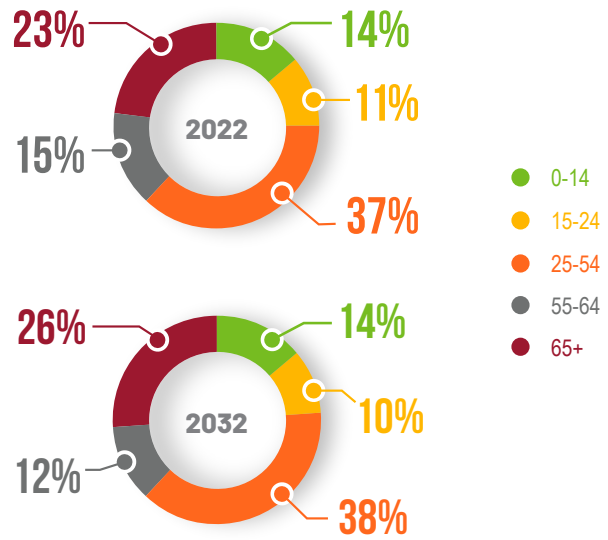


Figure 2: Population age distribution, Canada



Source: BuildForce Canada

Figure 3: Population age distribution, New Brunswick



Source: BuildForce Canada

of the national population. This cohort was 13% in 2012, dropping to 12% in 2022, and is projected to fall to 11% by 2032.

These trends will create challenges for all industries, including construction, as it pertains to labour force recruitment.

There is good news, however. New federal immigration targets, announced in November 2022, call for the addition of 465,000 permanent residents in 2023, 485,000 in 2024, and a further 500,000 in 2025. These new targets should support further growth in the core working-age group of 25–54 years, and may help moderate labour market pressures over the next decade. They will also require domestic industries to improve their recruitment of newcomers to supplement their traditional domestic recruitment programs.

### AN AGING POPULATION ENTIRELY DEPENDENT ON GROWTH FROM OUTSIDE SOURCES

New Brunswick's demographics follow a similar trend. Figure 3 shows that youth aged 15 to 24 years comprised 11% of the province's population in 2022. That figure is expected to decline to 10% by 2032. Meanwhile, those aged 65 and older, and who are

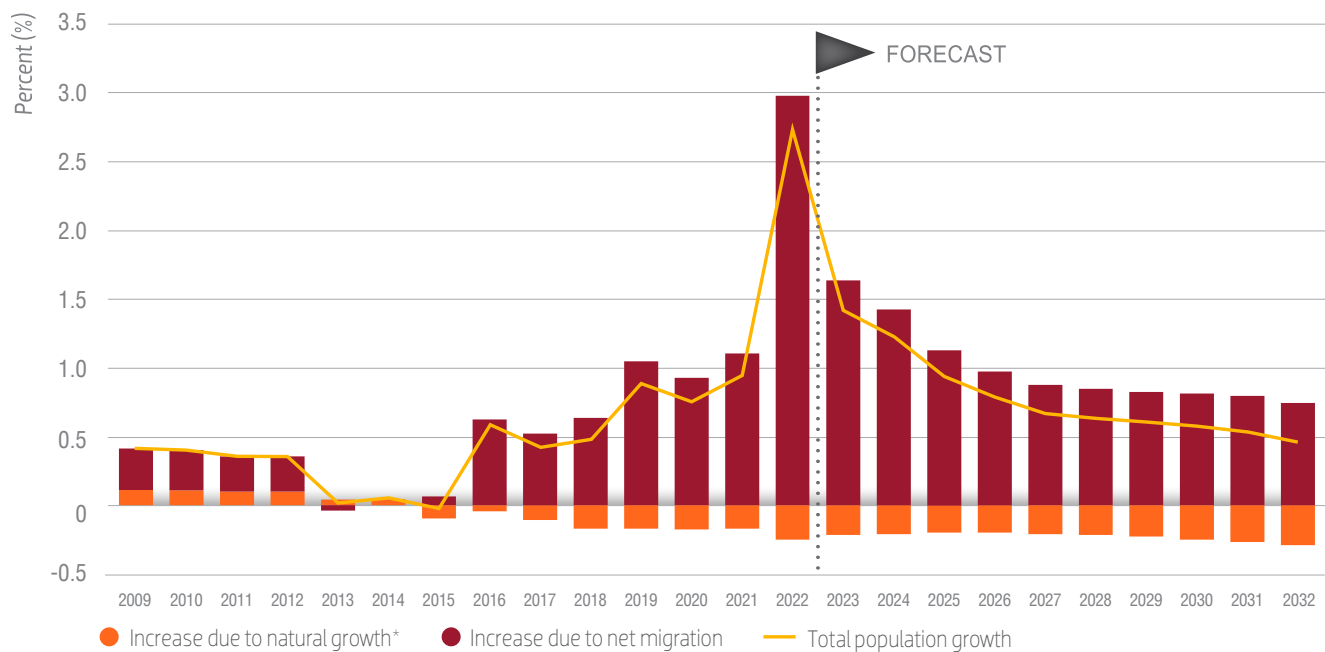
mostly retired, is projected to grow from 23% to 26% over the same period.

With the downward pressure on provincial labour force growth that will come from its aging population, the province has implemented a growth strategy with the goal to increase immigration to close to 7,500 persons annually, which is approximately 1% of the population.

Immigration levels exceeded 8,000 persons in 2022, and population growth was supported with another 5,000 non-permanent residents as students returned to in-person learning and global travel rebounded. Although such levels are unlikely to be sustained across the forecast period, immigration levels are expected to remain high through the medium term, supported by the province's growth strategy. Interprovincial migration also remains a source of population growth, with more Canadians arriving in New Brunswick in search of its more affordable cost of living.

These additions will be key. New Brunswick's natural rate of population growth<sup>1</sup> turned negative in 2015 and will remain so across the forecast period. A robust net-migration strategy will therefore be critical to support future population growth. Figure 4 shows the sources of population growth in New Brunswick.

<sup>1</sup> The **natural rate of population growth** refers to the growth in the population due to the number of births relative to the number of deaths, which leads to a positive or negative natural rate.

**Figure 4: Sources of population growth (%), New Brunswick**

\* **Natural rate of population growth** refers to the growth in the population due to the number of births relative to the number of deaths, which leads to a positive or negative natural rate.

Source: Statistics Canada, BuildForce Canada (2023-2032)

## SECTOR INSIGHTS

The following sections provide sector-specific insights into the provincial residential and non-residential labour markets.

The BuildForce LMI system tracks supply and accounts for the change in the available labour force, including retirements, new entrants<sup>2</sup>, and net mobility<sup>3</sup>.

BuildForce assesses market conditions for 34 construction trades and occupations using a ranking system that combines measures of the change in employment, unemployment, net mobility, and adjustments based on industry input. The rankings reflect residential and non-residential market conditions unique to the province based on current and proposed construction activity. In addition, assumptions on provincial economic

and population growth, new entrants to the labour force, and migration patterns (interprovincial and international) are built into the forecast scenario and included in the ranking assessment.

The rankings for some trades are suppressed due to the small size of the workforce (fewer than 100 workers) and limited statistical reliability when assessing labour market conditions at the sector level. Some trades are also excluded because they typically do not work in the sector being assessed (e.g., boilermakers and millwrights in residential construction, and homebuilding and renovation managers in non-residential construction).

For New Brunswick, rankings are reported for 16 residential and 22 non-residential trades and occupations.

<sup>2</sup> **New entrants** are measured by applying the traditional proportion of the provincial labour force that enters the construction industry. The projected estimate across the forecast period assumes that the construction industry can recruit this group in competition with other industries.

<sup>3</sup> **Net mobility** refers to the movement of labour in and out of the local construction industry labour force. In-mobility captures the movement into the labour force of out-of-province industry workers and/or workers from outside the industry. Many members of this group will move quickly out of the provincial labour force as work declines, referred to as out-mobility.

## RESIDENTIAL SECTOR

New Brunswick's residential construction market entered the pandemic on a strong note. An exceptional increase in household formations along with declining vacancy rates led to a surge in housing starts that began in 2019. Starts reached a peak of nearly 4,500 units in 2022, sustained by record-low borrowing costs, adjusted lifestyle trends, and growing in-migration to the province. A cooling is expected into 2023 and 2024 as the province reports fewer household formations, increasing housing costs, and lower rates of household formations<sup>4</sup>. Thereafter, starts begin a steady downward trend to the end of the forecast period, contracting by 34% by 2032.

Renovation activity, on the other hand, is expected to rise through most of the decade, supported by increasing housing costs and an aging population that prefers to age in place<sup>5</sup>. By 2032, renovation activity accounts for close to 67% of total residential investment.

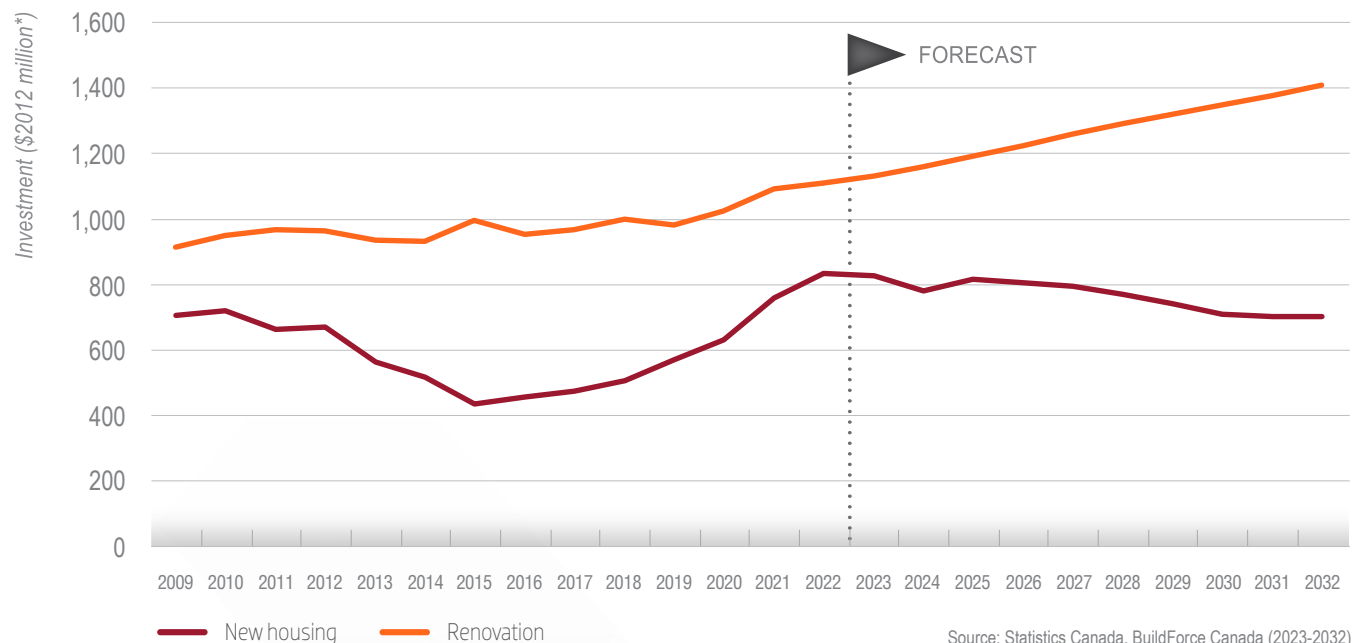
Residential construction employment has experienced a period of growth since 2019, driven by the province's expanding new-housing market. The near-doubling of housing starts from 2,300 units in 2018 to just under 4,500 in 2022 added demand for an estimated 1,800 related workers over the same period.

Employment is sustained at levels near 11,000 workers for the entirety of the forecast period, reaching a peak of nearly 11,200 in 2027. By the end of the decade, employment increases by 230 workers (+2%) over 2022 levels. A large contraction (-21%; -820 workers) in the new-housing sector is more than offset by strong gains in renovation (+15%; +740 workers) and maintenance (+16%; +310 workers) activity.

Note that federal efforts to double the number of new homes built across Canada over the next 10 years were not factored into this analysis.

Figure 5 shows the anticipated new-housing and renovation investment trends for residential construction.

**Figure 5: Residential construction investment, New Brunswick**



\* \$2012 millions indicates that the investment values are in year 2012 dollars (base year), that is, adjusted for inflation. This is used to calculate the real physical year-to-year change of the value of construction, factoring out growth (increase in value) due to increases in prices.

<sup>4</sup> **Household formation** refers to the change in the number of households (persons living under one roof or occupying a separate housing unit) from one year to the next. It is the means by which population growth is transformed into demand for new housing.

<sup>5</sup> **Aging in place** is defined as required renovations and modifications to enable individuals to continue to live independently and safely in their residence as they age.

## RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

Table 1 shows continued strain on the province's residential labour markets in 2022, with every trade reporting market ranks of "4" or "5." As new-housing demands ease in 2023 and 2024, the pressure on trades reduces. Further increases in renovation work, however, sustain recruiting challenges in some trades and occupations into 2025. Market conditions generally return to balance thereafter.

## MARKET RANKINGS

1

Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other current working conditions. Excess supply is apparent and there is a risk of losing workers to other markets.

2

Workers meeting employer qualifications are available in local markets to meet an increase in demand at the current offered rate of compensation and other working conditions.

3

The availability of workers meeting employer qualifications in the local market may be limited by large projects, plant shutdowns or other short-term increases in demand. Employers may need to compete to attract needed workers. Established patterns of recruiting and mobility are sufficient to meet job requirements.

4

Workers meeting employer qualifications are generally not available in local markets to meet any increase. Employers will need to compete to attract additional workers. Recruiting and mobility may extend beyond traditional sources and practices.

5

Needed workers meeting employer qualifications are not available in local markets to meet current demand so that projects or production may be delayed or deferred. There is excess demand, competition is intense and recruiting reaches to remote markets.

**Table 1: Residential market rankings, New Brunswick**

TRADES AND OCCUPATIONS – RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Bricklayers	4	4	3	3	3	3	3	3	3	3	3
Carpenters	5	4	3	4	3	3	3	3	3	3	3
Construction estimators	5	4	3	3	3	3	3	3	3	3	3
Construction managers	5	4	3	3	3	3	2	2	2	3	3
Contractors and supervisors	4	4	3	3	3	3	3	3	3	3	3
Electricians	5	4	3	3	3	3	3	3	3	3	3
Floor covering installers	5	4	3	4	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	4	3	4	3	3	3	3	3	3	3
Home building and renovation managers	4	4	4	4	3	3	3	3	3	3	3
Painters and decorators (except interior decorators)	4	4	3	4	3	3	3	3	3	3	3
Plasterers, drywall installers and finishers, and lathers	5	4	3	3	3	3	3	3	3	3	3
Plumbers	5	4	3	3	3	3	3	3	3	3	3
Residential and commercial installers and servicers	4	4	3	3	3	3	3	3	3	3	3
Roofers and shinglers	4	4	3	3	3	3	3	3	3	3	3
Trades helpers and labourers	5	3	3	3	3	3	3	3	3	3	3
Truck drivers	4	4	3	4	3	3	3	3	3	3	3

Source: BuildForce Canada

## NON-RESIDENTIAL SECTOR

As shown in Figure 6, non-residential construction has been on a general upswing since 2020. That trend continued through 2022 with work on a wide variety of projects, including aquaculture, at the Irving pulp mill, and in the government and institutional sector. Investment is projected to reach a near-term peak of more than \$2.1 billion in 2023, driven by activity in the industrial, commercial, and institutional (ICI) sector. It then declines to 2026 with reduced activity in both ICI and engineering-construction work. Thereafter, investment rises to 2029 before declining modestly out to 2032.

Engineering-construction investment is expected to remain relatively unchanged until 2026. Changes in the government capital spending plan will cause fluctuations through the short term, while the province's investments in roads, highways, and bridges will gradually wind down into the mid-2020s. In 2026, the major investment – work on the Mactaquac Dam – commences. The project drives levels upward out to 2029. As work on the project winds down, levels recede thereafter to 2032.

ICI-sector investment, meanwhile, rises to a peak in 2023 on the strength of ongoing activity on hospital projects in the institutional sector. However, as these projects are completed by 2024, overall

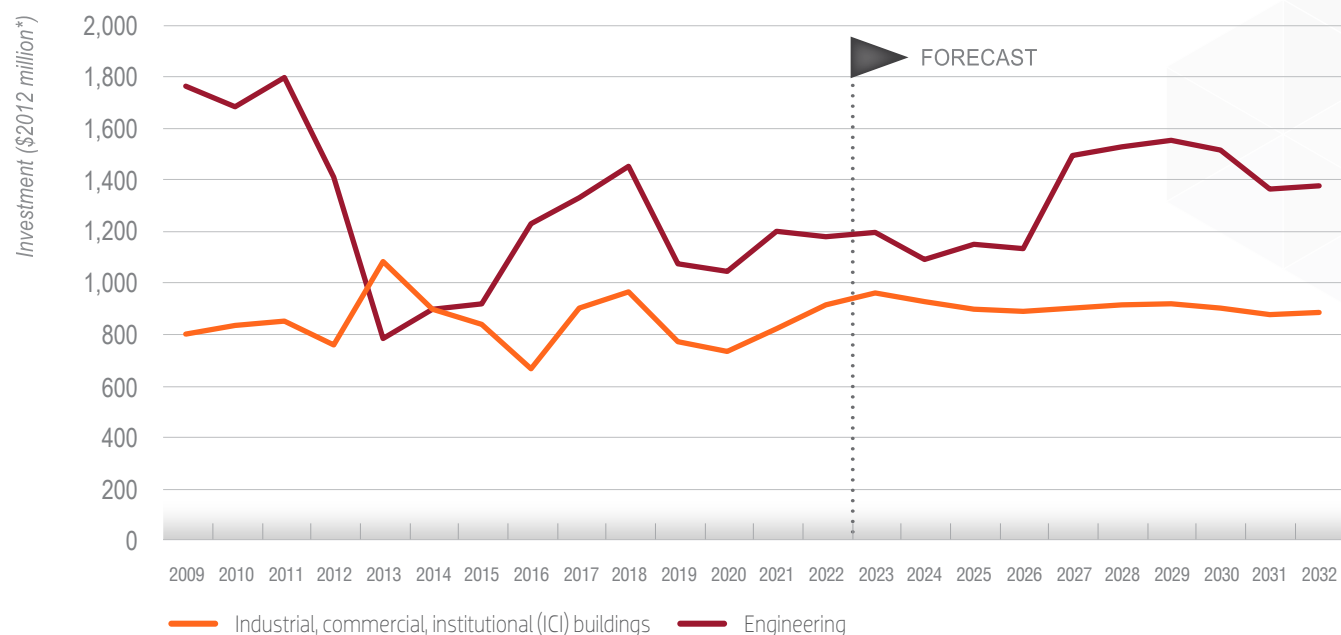
investment levels are expected to decline. Industrial activity remains largely flat until global growth is restored in or around 2024, while commercial-building construction grows modestly in response to overall economic activity and population growth.

Not considered in this forecast model is a number of major projects – such as a small modular reactor prototype and a liquefied natural gas export facility – that are currently under review. If approved, any of these would drive investment levels considerably higher over the medium term.

Total non-residential employment exceeded 10,000 workers in 2022 after a brief contraction in 2021. Employment is poised to grow by another 2% in 2023 on the strength of gains in ICI and engineering-construction work. It contracts in 2024 with slowing activity in the ICI sector, in particular, and remains below 10,000 until work begins on the Mactaquac Dam project in 2026. Thereafter, it remains above 10,000 workers for the remainder of the forecast period.

Maintenance-related employment, which was the second-largest non-residential construction employment segment in 2022, will continue to grow throughout the forecast period, rivalling engineering-construction employment by 2032.



**Figure 6: Non-residential construction investment, New Brunswick**

\* \$2012 millions indicates that the investment values are in year 2012 dollars (base year), that is, adjusted for inflation. This is used to calculate the real physical year-to-year change of the value of construction, factoring out growth (increase in value) due to increases in prices.

Source: Statistics Canada, BuildForce Canada (2023-2032)

By 2032, non-residential employment should rise by 430 workers (+4%). The ICI sector will contract by 12% (-370 workers) over 2022 levels, while the engineering (+3%) and maintenance (+21%) sectors more than offset those losses.

Table 2 summarizes the estimated percent change in non-residential employment by sector across three periods: the short term (2023–2025), the medium term (2026–2028), and the long term (2029–2032).

**Table 2: Changes in non-residential employment by sector, New Brunswick**

SECTOR		% CHANGE 2023–2025	% CHANGE 2026–2028	% CHANGE 2029–2032
Total non-residential employment		-4%	7%	2%
ICI* buildings	Industrial	-24%	1%	-7%
	Commercial, institutional and government	1%	-1%	-7%
Engineering	Highways and bridges	8%	-4%	-3%
	Heavy industrial	-11%	63%	8%
	Other engineering	-14%	-3%	-14%
Maintenance		-2%	6%	17%

Source: Statistics Canada, BuildForce Canada (2023-2032)

\* industrial, commercial, institutional

## NON-RESIDENTIAL RANKINGS, RISKS, AND MOBILITY

Table 3 shows that market conditions were strained across many trades and occupations in 2022, and in particular among construction managers, who are generally older and more senior. With many ongoing projects expected to carry through into 2023, market conditions are expected to ease only slightly among most trades and occupations.

Labour markets should return to mostly balanced conditions by 2024, with a small number of trades moving into a position where demand may create strong competition for available work. By 2027, the start of the Mactaquac Dam project creates tighter labour markets for several trades.

Seasonal shutdown/turnaround industrial maintenance work, where the demand for workers is concentrated for a brief period within a year and then declines rapidly as the work ends, creates unique challenges when assessing annual market conditions. Major refinery maintenance work can pose tighter market conditions. Key trades include boilermakers, bricklayers (refractory workers), carpenters (scaffolders), millwrights, supervisors, electricians, insulators, pipefitters, labourers, and instrumentation technicians, which are suppressed from Table 3 due to the small size of the workforce.

The widespread conversion of ICI buildings to the greater use of electricity for heating and cooling is excluded from this report, as these efforts are still in their early phases and have had only minor impacts on overall construction labour markets. As these efforts accelerate, they will be added to future BuildForce Canada outlook reports.



**Table 3: Non-residential market rankings, New Brunswick**

TRADES AND OCCUPATIONS – NON-RESIDENTIAL	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032
Boilermakers	3	3	3	3	3	3	4	3	3	4	3
Bricklayers	4	4	3	3	3	3	3	3	3	4	3
Carpenters	4	4	3	3	3	4	3	3	3	3	3
Construction managers	5	4	3	3	3	3	3	3	3	3	3
Construction millwrights and industrial mechanics	3	3	2	3	3	4	4	3	3	4	3
Contractors and supervisors	4	4	3	3	3	3	3	3	3	3	3
Crane operators	4	4	3	3	3	4	3	3	3	2	3
Electricians	4	4	3	3	3	3	3	3	3	3	3
Heavy equipment operators (except crane)	4	4	3	3	3	3	3	3	3	3	3
Heavy-duty equipment mechanics	4	4	3	3	3	3	3	3	3	3	3
Insulators	3	3	3	3	3	3	3	3	3	3	3
Ironworkers and structural metal fabricators	4	3	2	3	3	4	3	3	3	3	3
Painters and decorators (except interior decorators)	4	4	3	3	3	3	3	3	3	3	3
Plumbers	4	4	3	2	2	3	3	3	3	4	3
Refrigeration and air conditioning mechanics	4	4	3	2	3	3	3	3	3	3	3
Residential and commercial installers and servicers	4	4	3	3	3	3	3	3	3	3	3
Roofers and shinglers	3	3	3	3	3	3	3	3	3	3	3
Sheet metal workers	3	4	3	3	3	3	3	3	3	3	3
Steamfitters, pipefitters and sprinkler system installers	4	3	2	3	3	4	4	3	2	4	3
Trades helpers and labourers	4	3	3	3	3	3	3	3	3	3	3
Truck drivers	4	4	3	3	3	3	3	3	3	3	3
Welders and related machine operators	3	3	3	3	3	3	3	3	3	3	3

Source: BuildForce Canada

## BUILDING A SUSTAINABLE LABOUR FORCE

### THE AVAILABLE LABOUR FORCE

Employment growth in New Brunswick continues to outpace growth in the province's labour force. This is in part due to the fact that many workers who were laid off, or who otherwise exited from the labour force during the height of the pandemic, have been slow to return. Labour Force Survey<sup>6</sup> data from Statistics Canada suggests that the majority of these workers were in the core 25-to-54 age group. If these workers fail to return to the labour force, the impact on overall labour market conditions could be significant. Construction unemployment reached a low of 6.9% (seasonally unadjusted) in September 2022.

Sustaining labour force capacity at current levels may be a challenge for the construction sector. The labour force is expected to grow by 2,000 workers over the forecast period, while the retirement of an anticipated 6,500 workers will boost overall hiring requirements to 8,500. With a projected in-flow of 4,700 workers, the sector could have a gap of 3,800 workers that will likely need to be recruited (and retained):

- through the additional recruitment and training of youth
- through the additional recruitment of individuals from equity-deserving groups traditionally under-represented in the construction sector
- from the construction labour forces of neighbouring provinces with higher levels of unemployment

- from other industries in the province employing workers with the skill sets required by the industry
- from outside the country through permanent immigration

Figure 7 provides a summary of the estimated changes in the construction labour force across the full 2023–2032 forecast period.

### LABOUR FORCE DIVERSIFICATION

#### APPRENTICESHIP

Apprenticeship is a key source of labour for the construction industry. The province has seen significant fluctuations in registration levels in the 16 largest trade programs over recent years. New registrations declined by approximately 7% from 2010 to 2019, while trade employment declined at a slightly faster pace of 12% over the same period (see Figure 8). Selected trades, namely Bricklayer, Carpenter, Plumber, Sprinkler System Installer, and Sheet Metal Worker, have seen a more notable decline in new registrations over the past decade. The sharp decline in new registrations in the forementioned trades may pose the risk for an insufficient number of newly certified journeypersons to sustain workforce requirements.

Table 4 provides a trade-by-trade breakdown of the anticipated certification requirements to meet the construction industry's share of employment and replacement demand over the scenario period. Based on projected new registrations, several trades are at risk of undersupplying the number of new journeypersons required by 2032. Trades within this group include Sprinkler System Installer, Carpenter, Boilermaker, Welder, and Bricklayer.

**Figure 7: Changes in the construction labour force, New Brunswick**

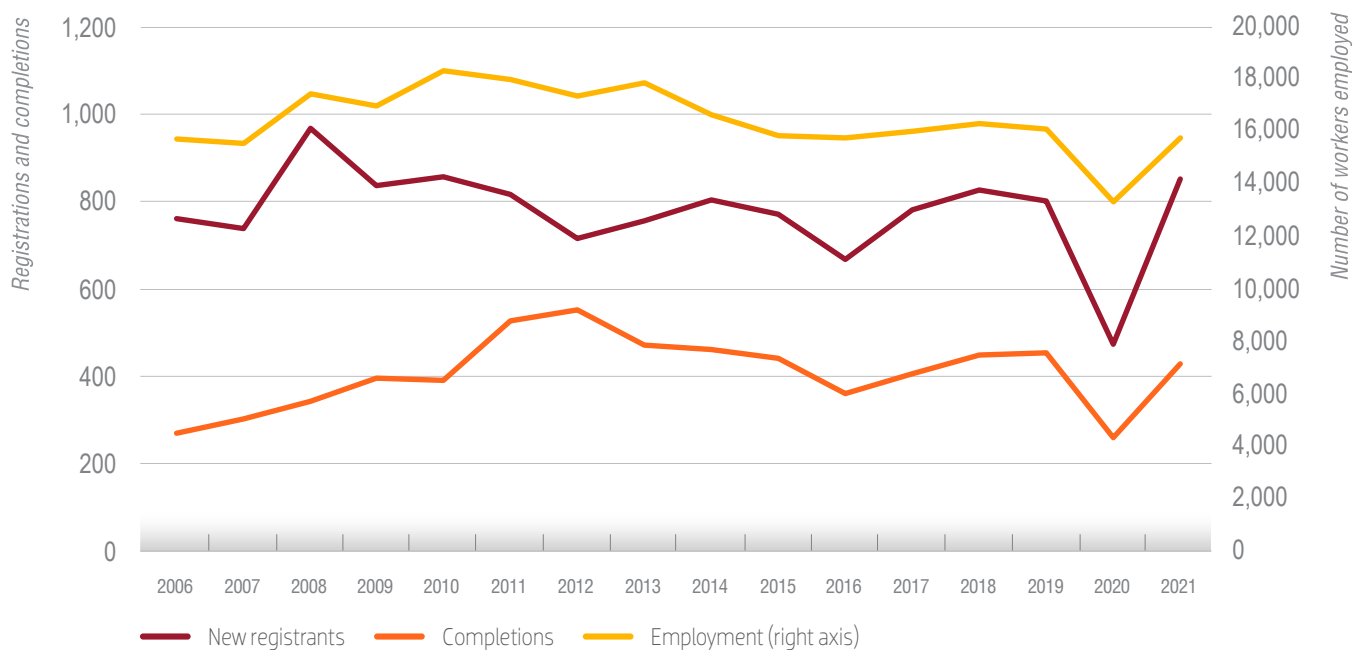


\* **Net mobility** refers to the number of workers needed to be brought into the industry from other industries or other provinces to meet rising demands or the number of workers that exit the industry in downturns. Positive net mobility means that industry must attract workers, while negative net mobility arises from an excess supply of workers in the local construction labour force.

Note: Due to rounding, numbers may not add up to the totals indicated.

Source: BuildForce Canada

<sup>6</sup> Statistics Canada's Labour Force Survey captures the labour force status of all workers within the industry, including those in occupations outside of the direct trades and occupations tracked by BuildForce Canada.

**Figure 8: New apprenticeship registrations, completions, and trade employment, New Brunswick****Table 4: Estimated construction certification demand and projected target of new entrants by trade, New Brunswick, 2023 to 2032**

Trade	Total certification demand – construction	Target new registrants – construction	Apprentice certification supply risk – all industries
Sprinkler System Installer	20	181	●
Carpenter	888	2,135	●
Boilermaker	107	167	●
Welder	81	152	●
Bricklayer	50	92	●
Metal Fabricator (Fitter)	25	71	●
Roofer	23	67	●
Construction Electrician	598	1,035	●
Steamfitter/Pipefitter	66	143	●
Heavy-Duty Equipment Technician	31	48	●
Sheet Metal Worker	31	92	●
Industrial Mechanic (Millwright)	47	61	●
Industrial Electrician	71	161	●
Plumber	184	343	●
Hoist Operator (boom truck)	57	76	●
Refrigeration and Air Conditioning Mechanic	55	89	●

- Certifications required exceed projected completions
- Certifications required in line with projected completions
- Projected completions exceed certifications required

Source: BuildForce Canada

### UNDER-REPRESENTED GROUPS OF WORKERS

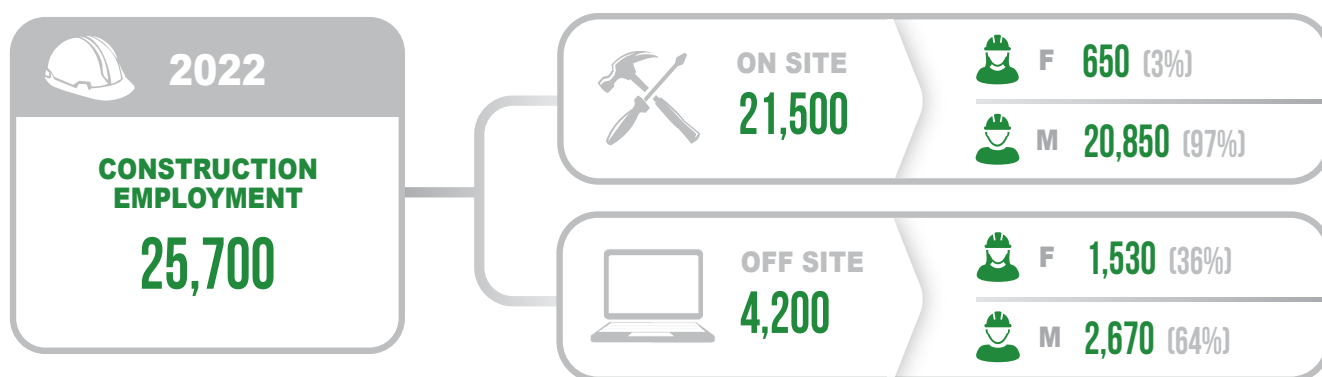
Due in part to lower fertility rates and smaller family sizes in Canada for more than three decades, the share of younger Canadians available to enter the labour force has been in decline for several years. As the baby boomer generation of workers commences retirement over the next decade, the competition for younger workers will be intense. To help mitigate the impact of this demographic shift, the construction industry must diversify its recruitment. In order to succeed, the industry must increase recruitment of individuals from groups traditionally under-represented in the current construction labour force, including women, Indigenous People, and newcomers.

In 2022, there were approximately 2,180 women employed in New Brunswick's construction industry, of which 30% worked on

site, directly on construction projects, while the remaining 70% worked off site, primarily in administrative and management-related occupations. Of the 21,500 tradespeople employed in the industry, women made up only 3% (see Figure 9).

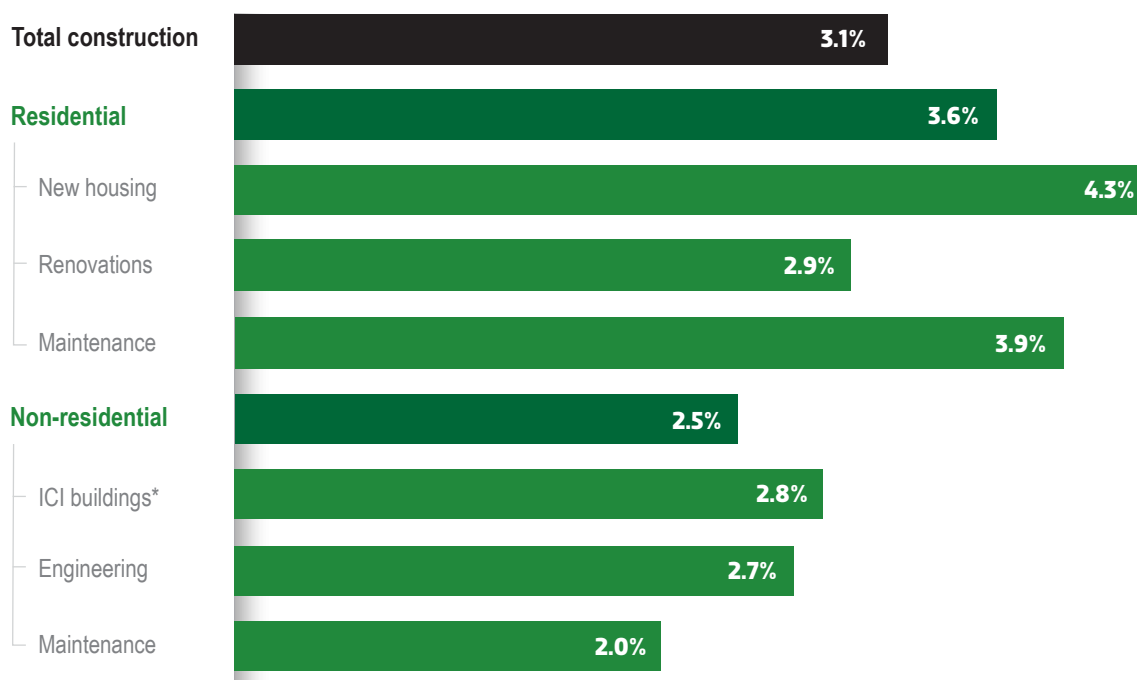
The estimated 650 tradeswomen in New Brunswick are represented across all sectors of construction, but given the nature of construction work in the province, women account for a higher share of total tradespeople (3.6%) in residential construction. Across sectors, new-housing construction has the highest representation of women, accounting for 4.3% of the workforce (see Figure 10). The top five trades and occupations in which women tend to be employed are trade helpers and labourers (31% of all tradeswomen), painters and decorators (13%), construction managers (11%), carpenters (9%), and contractors and supervisors (9%).

**Figure 9: Detailed construction employment by gender, New Brunswick, 2022**



Source: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and Census of the Population.

**Figure 10: Women's share of total direct trades and occupations (on site), New Brunswick**



\* industrial, commercial, institutional

Source: BuildForce Canada calculations based on Statistics Canada's Labour Force Survey (LFS) and Census of the Population.

The Indigenous population is the fastest growing population in Canada and therefore presents recruitment opportunities for New Brunswick's construction industry. In 2021, Indigenous workers accounted for approximately 3.7% of the province's construction labour force, approximately a half-percentage-point increase from the levels observed in 2016.<sup>7</sup> This share is slightly below the share of Indigenous People represented in the overall labour force (see Table 5). As the Indigenous population continues to expand, recruitment efforts will need to be dedicated to increasing the industry's share of the population into the labour force.

New Brunswick's construction industry may also leverage newcomers (immigrants) to Canada over the forecast period to meet labour requirements. Due to the declining natural rates of population growth, immigrants are the sole source of labour force growth in the province. Immigrants have been playing an

increasingly important role in replenishing the workforce, with the share of immigrants in the workforce increasing from 4% in 2011 to 7% in 2021. While the province has been successful in attracting and integrating immigrants into the labour force, the province's share of immigrants is notably below the share in Canada overall (see Figure 11). The construction labour force share of immigrants was just 3% in 2021, which is less than half of the immigrant share in the overall labour force, and significantly lower than the share in Canada's construction industry.

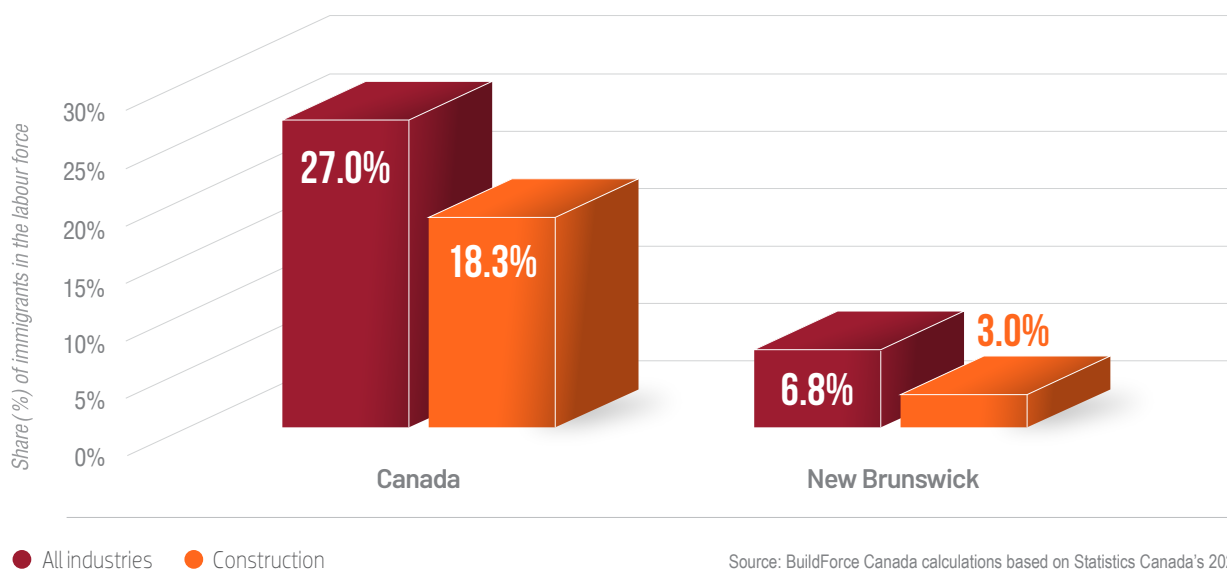
Based on historical settlement trends, the province is expected to welcome 85,200 new international migrants between 2023 and 2032. As these individuals will make up an increasing share of the province's core working-age population, additional recruitment efforts will be required to ensure the construction industry recruits its share of newcomers into the labour force.

**Table 5: Representation of Indigenous population in provincial construction workforce, New Brunswick**

Industry		Indigenous	Non-Indigenous	Total	Indigenous share of total workforce, %
Construction	2016	920	26,870	27,790	3.3%
	2021	1,030	26,775	27,800	3.7%
All industries	2016	13,145	361,325	374,470	3.5%
	2021	14,860	366,645	381,500	3.9%

Source: BuildForce Canada calculations based on Statistics Canada's 2021 and 2016 Census of the Population

**Figure 11: Share (%) of immigrants in the construction labour force, 2021**



Source: BuildForce Canada calculations based on Statistics Canada's 2021 data.

<sup>7</sup> Statistics Canada, 2021 Census, custom data request

## CONCLUSIONS AND IMPLICATIONS

The 2023–2032 *Construction and Maintenance Looking Forward* forecast shows that New Brunswick's construction sector is experiencing a period of peak activity across its residential and non-residential sectors. That peak is expected to extend into 2023 before moderating through the remainder of the near term. Medium term, the expected start of construction on the Mactaquac Dam refurbishment project in 2026 should bring overall investment to new highs through to 2029 and should tighten labour markets for a selected group of trades.

The peak in new-housing construction seen in 2022 will cool in 2023 in line with fewer household formations, a general economic slowdown, and increasing housing prices. Renovation and maintenance employment, however, makes significant gains across the forecast period. Combined, they bring overall residential employment higher by 200 workers over 2022 levels.

For non-residential construction, as current hospital and school projects wind down over the medium term, labour markets are

expected to weaken until the Mactaquac Dam project launches. Positive investment decisions on a number of major projects not yet in the outlook scenario – such as a small modular reactor prototype and a liquefied natural gas export facility – could further change the trajectory of employment growth over the medium term.

With one of the oldest construction labour forces in Canada, the province's biggest challenge will be keeping pace with the expected retirement of more than 6,500 workers, or 27% of the current labour force, over the forecast period, marking a significant loss of experienced skilled workers.

The industry scenario-based approach developed by BuildForce Canada to assess future labour market conditions provides a powerful planning tool for industry, government, and other stakeholders to better track labour market conditions and identify potential pressure points. The anticipated labour market conditions reflect current industry expectations based on proposed major-project schedules. Any changes to these assumptions present risks and potentially alter anticipated market conditions.

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